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# The Agricultural Situation

*A Brief Summary of*



*Economic Conditions*

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## LIVESTOCK NUMBERS HAVE HELD THEIR OWN FOR A YEAR

When the annual inventory of the country's livestock was taken a year ago it was found that the farm animals had been reduced to the lowest numbers in this century. The present estimates, made as of January 1, 1936, show that the flocks and herds held their own last year, the total number in terms of animal units being virtually unchanged. Horses, mules, sheep, and cattle decreased slightly but the number of hogs rose about 9 percent.

The total number of cattle decreased about 316,000 head or only five-tenths percent last year, being now 68,213,000 head. Two years ago there were 74,262,000 cattle on farms, the largest number ever recorded in this country and representing the peak of the present cattle cycle. They were reduced nearly 6,000,000 head during 1934 by the drought and Government purchases; and during 1935, as noted, were virtually unchanged.

The number of milk cows did decrease further last year by slightly more than 2 percent and is down about 5 percent from the peak of 2 years ago. The number of yearling dairy heifers also decreased 3 percent further last year and is 10 percent under the peak of 2 years ago; but it is significant that the number of heifer calves being raised has begun to increase.

Hogs are staging a come-back from the very low number on farms a year ago. They increased about 9 percent last year. The stimulus is apparent in the average value per head, which jumped from \$4.09 2 years ago and \$6.31 1 year ago to \$12.68 at the beginning of this year. The number of hogs in the country, however, is still nearly a third less than in 1932-33.

The number of sheep has been decreasing slightly for 2 years; last year the decrease amounted to about 1 percent. The average value per head also jumped sharply—from \$2.91 2 years ago to \$4.31 last year and \$6.38 on January 1, 1936.

The total value of farm livestock reflects the marked rise in prices within the last 3 years. Animal values went down to a depression low of \$2,772,000,000 on January 1, 1933, but by the beginning of this year they were up 50 percent to a total of \$4,885,000,000.

## THE LIVESTOCK INVENTORY OF JANUARY 1, 1936

Changes in livestock numbers during 1935 were relatively small. This was in sharp contrast with 1934, during which the largest decreases ever recorded in a single year took place. According to the January 1 livestock report of the Department of Agriculture, there were decreases in the numbers of horses, mules, cattle, and sheep between January 1, 1935, and January 1, 1936. These decreases, however, were not large, amounting to 2 percent for horses, 3 percent for mules, 1 percent for sheep, and one-half of 1 percent for cattle. Hog numbers increased about 9 percent over the very small number on January 1, 1935. With all species converted to animal units that allow for differences in size and feed requirements of the several species, a decrease of about one-tenth of 1 percent is shown.

The total value of all livestock on farms January 1, 1936, was 50 percent higher than a year earlier, and was the highest since January 1, 1930. The total value of \$4,885,302,000 this year compares with \$2,772,056,000 on January 1, 1933, the low point of the depression. The value per head of each species was materially higher this year than last and was the highest for all species since January 1, 1932. This increase in value per head reflects the sharp advance that occurred in market and farm prices of all species during 1935. In the case of meat animals the advance in prices was a result partly of the reduced supplies of all meats, largely of pork, in 1935 and of the improved consumer demand following the improvement in business and industry.

The estimated numbers on farms January 1, 1936, are based upon the revisions made in the January 1, 1935, estimates. These revisions were made after the reports of the Bureau of the Census, giving the number of the different species enumerated as of January 1, 1935, for all the States, by counties, became available. This enumeration was made as a part of the census of agriculture taken early in 1935. The revised estimates for January 1, 1935, when compared with the preliminary estimates made in February 1935, show little changes in horses and mules but increases of about 5 percent in hogs and sheep and of 13 percent in cattle. Revisions were also made in the estimated numbers on January 1 for years prior to 1935, in order to give a series of numbers by States indicative of the actual changes over these years. For the most part, these revisions did not extend back of 1930, but in some instances they were carried back to 1925 and in a few as far back as 1920. In the case of hogs and sheep, these revisions back of 1935 made relatively small changes in numbers on January 1, and involved little change in the estimates of amount and value of production.

In the case of cattle, the revisions for the years 1930 to 1935 show a much greater increase in numbers from January 1, 1930, to January 1, 1934, and a smaller decrease between January 1, 1934, and January 1, 1935, than did the original estimates. These revisions will involve a material increase in the estimates of amount and value of cattle production during these years, but the estimates of yearly income from cattle will be much less affected. In the following paragraphs some of the more important facts brought out by or developed in connection with the report are briefly pointed out for each species.



*Cattle.*—The number of cattle on farms January 1, 1936 was estimated at 68,213,000 head, a decrease of 316,000 head or one-half of 1 percent from the revised estimates of January 1, 1935. Compared with the revised estimates of January 1, 1934, the decrease was 6,049,000 head or about 8 percent. The value per head this year was \$34.09 compared with \$20.22 a year earlier, with \$17.78 two years ago, and with \$58.77 in 1929, the highest value of recent years. In order to show the changes in the estimates of cattle on farms resulting from the revisions made this year the following table has been prepared:

Year	Estimates before revisions	All cattle on farms, January 1	
		Present revised estimates	Census totals
	<i>Thousands</i>	<i>Thousands</i>	<i>Thousands</i>
1930-----	59, 730	61, 003	<sup>1</sup> 54, 250
1931-----	60, 987	63, 030	-----
1932-----	62, 656	65, 770	-----
1933-----	65, 704	70, 214	-----
1934-----	68, 290	74, 262	-----
1935-----	60, 667	68, 529	<sup>2</sup> 68, 284
1936-----	-----	68, 213	-----

<sup>1</sup> Made as of Apr. 1, 1930, with spring born calves excluded.

<sup>2</sup> As of Jan. 1, 1935.

As will be noted, the present revised estimates show the number of cattle January 1, 1934, before the great reduction in 1934 resulting from the drought and Government cattle-buying program, to have been 74,262,000 head, without doubt the largest January 1 number ever reached in this country. The increase from 1928, the low point of the present cattle cycle, to 1934 was 16,940,000 head. From 1912 to 1918, the upswing of the previous cycle, the numbers increased from 55,012,000 head to 71,229,000 head.

While numbers increased in all areas between 1930 and 1934, the revised estimates by States and regions show that the largest relative increases were in the South Atlantic and South Central States and the smallest relative increases in the North Atlantic and East North Central States. By regions, the increases during these 4 years were North Atlantic 5 percent, South Atlantic 23 percent, East North Central 15 percent, West North Central 22 percent, East South Central 28 percent, West South Central 34 percent, Western 21 percent, United States 22 percent.

Practically all of the decreases between January 1, 1934, and January 1, 1935, were in the West North Central, West South Central, and the four Rocky Mountain States of the western group. But in no area and in few States were the 1935 numbers below the 1930 numbers. For the East North Central, the South Atlantic, and East South Central groups, numbers on January 1, 1935 were probably at or close to the highest level on record. Although heavy marketings and slaughter reduced numbers in the last two groups during 1935, the numbers remaining on January 1, 1936, were relatively very large for these States and their proportion of the total was still above average. A further increase in the East North Central States during 1935 brought numbers in that area to a new peak on January 1, 1936.

The combined slaughter of cattle and calves under Federal inspection, excluding Government cattle, during 1935 was 15,345,000 head, and this total was one of the four largest on record. With such a slaughter, numbers decreased only one-half of 1 percent, which indicates that the present cattle population can be fairly well maintained and permit a slaughter of cattle and calves about as in 1935.

*Milk Cows.*—The number of milk cows on January 1, 1936, was estimated at 25,622,000 head, a decrease of more than 2 percent from a year earlier and of about 5 percent from the peak number of January 1, 1934. Along with the number of all cattle, the number of milk cows was also revised from 1930 to 1935. The estimated number of milk cows for recent years has been based largely upon the census figures of cows milked in 1924 and 1929 shown by the 1925 and 1930 censuses. The 1935 census figures of cows milked in 1934 are not yet available and it is probable that some further revisions in numbers of milk cows for 1935 and for 1 or 2 preceding years may be made when these census data are received.

*Horses and mules.*—The numbers of both horses and mules continued to decline during 1935 and the January 1, 1936, numbers of 11,637,000 horses and 4,685,000 mules were at a new low level. The values per head of both horses and mules on January 1, 1936, were sharply above a year earlier, reflecting the decreasing numbers and improved demand. The value per head of horses this year was the highest since 1919 and of mules, since 1920. The revisions in the estimates of horses and mules in the light of the new census figures were not large. The census figures of horse colts under 2 years were somewhat smaller than those shown by the estimates, indicating that colt production during the last few years had not expanded quite as rapidly as was estimated. The number of mule colts under 2 years of age as shown by the census, was relatively much smaller than the estimated number. Apparently, there has been very little increase in mule colt production during the last few years when horse colt numbers have increased sharply.

*Hogs.*—The estimated number of hogs on farms January 1, 1936, was 42,541,000 head. This was an increase of about 9 percent over the very small number on January 1, 1935, but excluding 1935 was much below the number on January 1 for any other year of the present century. The value per head of \$12.68 on January 1, 1936, was more than twice as large as a year earlier and three times as large as on January 1 in 1933 or 1934.

The estimated number of hogs on January 1, 1935, made in February 1935, was 37,007,000 head. The revised number for January 1, 1935, is 39,004,000 head. The number shown by the 1935 census enumeration was 37,213,000 head. Most of the difference between the estimated numbers on January 1, 1935, and the 1935 census number is in the North Central (Corn Belt) States where most of the commercial supply of hogs is raised. Estimated numbers in these States are revised from year to year largely on records of marketings and other disposition during the months after January 1 when most of the hogs on farms on January 1 would be disposed of. Although the census schedule asked for numbers as of January 1, the number actually reported in many cases might be the number on hand when the schedule was made out. As hog marketings are heavy in January and early February, allowance was made in the

estimates for probable decrease in numbers between January 1 and the average date of enumeration by the census.

*Sheep.*—The estimated total number of sheep and lambs on January 1, 1936, was 51,690,000 head. This was a decrease of about 1 percent from the revised number of January 1, 1935. Of the total number on January 1, 1936, 46,380,000 head were stock sheep and 5,310,000 were lambs and sheep on feed for market. In the past the published estimates have given the total number of sheep without a separation between stock sheep and sheep and lambs on feed. The report this year giving the numbers by States shows stock sheep and sheep and lambs on feed separately both for the 1936 and for the revised figures from 1930 to 1935. The value per head on January 1, 1936, was \$6.38, compared with \$4.31 a year earlier and \$2.91 on January 1, 1933, the low point of recent years.

The revised estimate for January 1, 1935, is 52,251,000 head, of which 46,640,000 head were stock sheep and 5,611,000 head were lambs and sheep on feed. The 1935 census report shows 48,358,000 head enumerated. The census schedule for 1935 asked for total sheep and lambs and a separate report on ewes 1 year old and over. Because of the change in date of the census enumeration from April 1 in 1930 to January 1, 1935, the only fairly comparable census figures are those of ewes 1 year old and over. The census numbers of such ewes were 30,795,000 head in 1930 and 34,000,000 in 1935.

The revised estimates of stock sheep in the native sheep States and some of the western sheep States are based upon the 1935 census figures of ewes 1 year old and over. Using a ratio of ewes to all stock sheep shown by the 1930 census and by sample and other data, the indicated number of stock sheep was arrived at by dividing the number of ewes by this ratio and multiplying the quotient by 100. The number of sheep and lambs on feed January 1, 1935, was estimated from records of marketings during the first 4 months of 1935.

A comparison of the 1935 census figures by counties and groups of counties with records of lambs and sheep on feed for market on January 1, 1935, indicates that the census enumeration secured only a part of those on feed in farm feed lots (probably only those still on hand when the enumeration was made) and missed many of those on feed in commercial feed lots. A complete enumeration of sheep in the western sheep States is hardly to be expected. In some of these States the 1935 census enumeration appears to have been about the best ever made. In others, the census numbers when checked against records of wool shipments, assessments, local enumerations, and other data appear to be too low, and in these States the estimated numbers are larger than the census numbers.

*General conditions.*—The winter of 1935-36 generally has been one of unusual severity and over large areas has been about the coldest ever known. Feed production in 1935, especially of hay and roughage, was fairly large and generally adequate for an average winter. Live-stock generally entered the winter season in good condition. Heavy snowfall in January and February has covered range and pasture feed over a large area extending from Montana southward to central Kansas and eastward to the Atlantic seaboard. Feeding over this area has been very heavy since January 1 and has doubtless made a heavy draft on available supplies. If the spring season should be late and heavy feeding necessary for 2 months longer, it is not unlikely



that feed supplies in some areas, especially in the Great Plains States, may have to be supplemented by in-shipments of concentrates from other areas.

### LIVESTOCK NUMBERS AS OF JANUARY 1

	Horses and colts	Cattle and calves	Milk cows	Sheep and lambs	Hogs and pigs
	<i>Millions</i>	<i>Millions</i>	<i>Millions</i>	<i>Millions</i>	<i>Millions</i>
1930-----	13. 7	61	23. 1	51. 5	55. 7
1931-----	13. 2	63	23. 8	53. 2	54. 8
1932-----	12. 6	65. 7	25	53. 9	59. 3
1933-----	12. 3	70. 2	26	53	62. 1
1934-----	12	74. 2	27	53. 7	58. 6
1935-----	11. 8	68. 5	26. 2	52. 2	39
1936-----	11. 6	68. 2	25. 6	51. 7	42. 5

### TOTAL FARM VALUE OF LIVESTOCK

1930-----	\$6, 061, 240, 000	1934-----	\$2, 976, 677, 000
1931-----	4, 529, 533, 000	1935-----	3, 250, 085, 000
1932-----	3, 272, 546, 000	1936-----	4, 885, 302, 000
1933-----	2, 772, 056, 000		

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### ACTIVE PRODUCE MOVEMENT EXPECTED

Larger supplies of fruits and vegetables are in prospect this month. Shipments should exceed the 62,000 cars moved during March 1935. Increasing output of southern and southwestern produce usually more than offsets the falling off in northern shipments of such products as onions, cabbage, carrots, and apples. Northern potato shipments should continue heavy, probably 20,000 to 25,000 cars in March, showing a temporary increase as country roads become settled. Last spring was a poor season for many kinds of early southern produce. This year shows gains in acreage and somewhat better growing conditions. Cabbage, spinach, potatoes, and tomatoes will be important features despite some weather injuries in February. The orange movement will continue active, although probably not so large as a year ago.

### TRUCK CROPS COMING ON

Southern truck crops suffered less winter injury than might have been expected with so much severe cold weather in the North. Damp, rainy spells tended to prevent severe freezing, but rainfall was excessive in some trucking sections and there were further drops of 5 to 10 percent in the mid-February condition of Florida beans, tomatoes, and potatoes. The main effect, so far reported from bad weather, was to delay the crops and injure yield and market quality. Most of the injury from frost and rain was to potatoes, strawberries, beets, beans, and tender young plants. Shipments are increasing as usual with progress of the season. Supplies of most kinds are likely to be ample because of larger plantings and fairly good growing condi-



tions for the most important truck crops in many producing sections. The growing condition of spinach was below average on account of winter freezing, but acreage is very large. Planting of string beans was heavy in Florida. East Coast bean shipments are increasing and should reach peak in March. Acreage in southern Florida is larger this year, but yield lighter. Florida shipments of peas are increasing and expected to gain further during the first half of March. A heavy increase of Texas peas is expected during the spring months from the 5,000 acres planted. The crop in southern California, Florida, and Texas is probably double that of last year, with record acreages in Florida and Texas.

#### POTATO PROSPECTS UNCERTAIN

Northern potatoes held back by winter conditions are likely to move in larger volume than during the last month. Trade opinion on the old-crop potato market toward the beginning of March was quite sharply divided. Those who expected the February rise to be resumed or extended during the spring months were relying on the rapid decrease of stocks on hand during the first half of the season. Remaining holdings were said to be no larger than other years when prices were higher than the then current market level, which was \$1 to \$1.30 per 100 pounds at car-lot shipping points from West to East, and \$1.35 to \$1.80 in the large markets. Lateness and freezing injury in the South will be likely to lengthen the market season for northern potatoes.

Other trade views, looking toward price setbacks in March, were based on the probably much larger volume of long-delayed shipments which were expected to reach the market with the coming of mild weather. The season's shipments from 18 late shipping States were fully 15 percent less than last season to date, but the one-fourth smaller crop production and the increased trucking activity the first half of the season might account for much of the decrease. The rapid shrinkage of storage holdings showed that the demand was active and the spoilage very considerable. Much of the remaining stock is reported below best grades.

Many western and midwestern shippers are reported to be ready to sell out as fast as possible, but some holders of long-keeping potatoes in Maine, Idaho, and Colorado are more disposed to wait for the good demand that sometimes prevails toward the end of the marketing season. February shipments were less than those of the same month last season but were not far out of line with those of the same month in 1934 and 1933, despite serious weather handicaps at many shipping points this year. After a severe winter, March shipments of old stock often increase as much as one-third above the February output, but city dealers' stocks are usually light at such times and in need of larger supplies.

Recent market prices of old-crop potatoes were two to four times as high as last season in most eastern and northern producing sections, but the price difference was not so great in the consuming centers, and western baking varieties at \$1.75 to \$2, also early red southern potatoes, showed only a moderate advance compared with last season. Early southern potatoes and imported stocks were not competing seriously yet. Early crop shipments, mostly from Florida and Texas, have averaged less than 800 cars during March in recent years, which would equal only a moderate day's output of northern potatoes.

The early acreage is reduced a little and the crop had a poor start during bad weather conditions. In April, half a dozen early States will be shipping and with a fair crop, these may be expected to furnish about one car in six of the rail movement of potatoes, probably at lower prices than prevailed for the short early crop of last season.

#### MORE ONIONS STORED

Onion holdings at the beginning of the year were 11 percent more than the year before and prices have been about 25 cents lower per 50 pounds. Shrinkage in storage was expected to continue greater than usual, particularly in the North and West. Shipments since January have been about 10 percent less than for the corresponding time last year, owing to weather handicaps and some tendency to hold for price advances. Action of the market in March hinges on the extent of shrinkage in the North and on the progress of the southern crop. The very large plantings of Texas onions were reported not showing much injury from the persistent cold winter weather.

#### CABBAGE MARKET CLOSING WELL

The cabbage market was holding at \$19 to \$20 per ton for sacked stock in western New York in late February. Toward the end of the month the demand was slower and competition of lower-priced southern cabbage was affecting the demand. The price to growers remained mostly \$12 to \$14 bulk per ton. Early in the season it appeared that northern growers would have trouble in moving the crop at profitable prices but severe cold stimulated the demand. Rains and cold weather in Texas prevented shipments of large quantities from that State and it seemed likely that most of the northern holdings would be marketed at prices netting favorable returns to producers.

February crop conditions of cabbage in the South were slightly below those of January, but far better than last year and near the 10-year average. There was slight freezing damage in Texas and the Georgia spring crop was injured. Alabama and Mississippi plantings of 7,000 acres were delayed by weather. The southern early cabbage acreage of 72,000 is about the same as the main northern cabbage acreage of last year. Texas cabbage was selling in producing sections at about one-third of last year's prices. Old cabbage was about one-third lower than a year ago.

Shipments of carrots from the northern crop have been light and about in line with reduced production in leading shipping States. Prices advanced in February, and at \$1 per 100 pounds in western New York were about one-third higher than they were last season. Higher prices up to \$1.50 were asked for holdings in cold storage. The February crop condition of southern and southwestern carrots was generally above the 10-year average or that of last year.

#### STEADY APPLE MARKET

With one-fourth more marketable apples than last year and prices lower in much the same proportion, the position of the market was comparatively steady all winter. Rail shipments have been 8 percent lighter than last year because a larger proportion of the crop was within trucking distance. The cold storage situation is working out about as usual in a year close to the average production of market apples.

The general jobbing range of standard grades and varieties is \$1 to \$1.25 per bushel basket in the East and Middle West, with some extremes of 75 cents to \$1.50. Northwestern apple markets have not shown much recent change.

The long-term trend of apple prices is supported by the previous tendency to decreased planting of apple trees, winter injury to millions of bearing trees in recent years, and the steady increase in population. Farm prices in 1910 to 1916 were between 60 cents and 90 cents a bushel. From 1917 to 1929 they were mainly between \$1.10 and \$1.60. Since the slump in farm prices below \$1 in 1931, there has been some tendency toward recovery and the main long-term trend may be upward, assuming return of brisk consuming demand and renewed activity in the export trade. Unfavorable features include the increasing competition and trade restriction on foreign markets and the trend to larger domestic production of other fruits.

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#### WINTRY WEATHER CUT EGG SUPPLIES

February gave a good example of what weather conditions can do to the egg markets. Not for many years have the Middle Western and Atlantic Seaboard States experienced such an extended period of cold weather and heavy snows as prevailed this year in late January and practically all of February. Fresh-egg production, which already had shown promise of an early and rapid expansion, was checked sharply, particularly in the Middle West. Deliveries of eggs to packing plants in the Middle West were almost impossible because of snow-blocked country roads, and conditions were not much better in certain parts of the Middle Atlantic and New England States.

Because of the foregoing conditions, some of the larger markets in the East reached a stage of almost acute scarcity early in February. Receipts, which in January were 19 percent larger for the four markets than in January last year, dropped to the level of the light receipts of a year earlier. Arrivals from the Middle West were only nominal, and such markets as New York, Philadelphia, and Boston had to depend almost entirely upon supplies from the Pacific Coast States, the Southwestern States, and from certain nearby eastern areas. Storage eggs, which previously had been a drug on the market, were suddenly in demand; but most of the owners of storage eggs had become thoroughly discouraged as to the possibility of any improvement in the storage situation at the close of the season and had already disposed of most of their eggs for whatever they could get.

Prices responded quickly to the threatened shortage in supplies. Between February 1 and 14, quotations of fresh eggs at New York advanced 10 to 12½ cents per dozen. Storage eggs advanced 12½ cents per dozen from February 1 to 19. Other markets followed the advances at New York, but to a smaller degree. After reaching the peaks of this secondary upward swing, the market held generally steady for a week to 10 days; but with more moderate weather at the beginning of the fourth week and heavier supplies in prospect, prices took a sharp drop on the 24th, followed by further declines as the month drew to a close.



## STORAGE STOCKS MOVED FREELY

Shell eggs in storage on February 1 amounted to 159,000 cases, compared with 39,000 cases on February 1, last year, and 312,000 cases for the 5-year average. The reduction in stocks of shell eggs in storage during January amounted to 805,000 cases. In the same month last year the reduction amounted to 609,000 cases, and for the 5-year average was 669,000 cases. The larger than usual reduction in stocks of storage eggs during January of this year was brought about by two things: (1) The desire of owners of storage eggs to get rid of them at any price during the early part of the month when it appeared that conditions favored a heavy winter production of fresh eggs and (2) the rush of buyers to buy storage eggs regardless of price toward the close of the month when it looked as though cold weather and snow would upset the earlier forecasts on production.

## QUIET POULTRY MARKET

The poultry markets in February were mostly quiet. Prices on live poultry were influenced principally by weather conditions, moving up and down as receipts varied from light to liberal. Prices on live fowl, colored, were particularly unsettled, advancing from 21 cents on January 17 to 29 cents on February 4, and then were irregularly lower, with an aggregate decline of around 5 cents before the market steadied. Supplies of winter chickens were moderately liberal regardless of the adverse weather conditions, and prices declined 1 to 2 cents on the smaller sizes. The heavier weights, however, were generally in demand, and prices held full steady to fractionally higher.

Most of the activity in the dressed poultry markets was confined to frozen goods, except on fowl. Receipts of fowl were light, but just about equal to a quiet demand. A few nearby fresh-killed dressed chickens were received at eastern markets, but the quantity was small and prices unchanged. A few turkeys are still coming in, but buyers generally show a preference for frozen turkeys, as they are reported to be of better quality.

Frozen broilers of the smaller sizes appear to be scarce and firmly held; larger sizes are in more liberal supply, but there seems to be no disposition to encourage sales by making concessions. Fowls moved slowly because of buyers' preference for fresh-killed stock, but the decreasing supply of the latter is causing many buyers to turn to frozen fowl through necessity.

The market on frozen turkeys appears to be gradually improving. The receipt of live turkeys is nominal, and the supplies of fresh-killed dressed turkeys are tapering off. Buyers are gradually turning to the frozen turkeys, particularly when they are interested in uniform lots of quality, and an increasing volume of sales is being reported. Prices remain unchanged, with a few fine lots bringing an occasional premium.

Dressed poultry in cold storage on February 1, 1936, amounted to 104,034,000 pounds, compared with 122,285,000 on February 1, last year, and 112,032,000 for the 5-year average. Of particular interest was the small stocks of broilers, which amounted to only 8,815,000 pounds. These stocks were about 9,000,000 pounds smaller than on February 1, last year, and 5,000,000 pounds less than the 5-year average. Stocks of fryers were smaller than a year earlier, but about 1,000,000 pounds larger than the 5-year average. Fowls were also



light in comparison with last year, but in excess of the 5-year average. Stocks of turkeys amounted to 20,548,000 pounds, about 3,000,000 pounds less than on February 1, last year, but around 4,250,000 pounds larger than the 5-year average. There seems to be a fair amount of confidence in the frozen-turkey situation, with stocks at current level, and stock is being held rather firmly.

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#### MORTGAGED FARMS BOUGHT AND SOLD MORE OFTEN THAN FREE PROPERTIES

Mortgaged farms are transferred more often than farms free of mortgage. Farms with heavy mortgage indebtedness are bought and sold more often than properties with small or moderate incumbrances. The classification of 12,000 farms voluntarily transferred during the years 1932 to 1935 showed that the presence of debt facilitates the sale of property. In both 1932 and 1933, 72 percent of all voluntary transfers reported represented mortgaged farms, as compared with 28 percent of free farms. This higher frequency occurs despite the dominant proportion of free farms in the country as a whole, farms free of debt being estimated at 60 percent in 1930 as compared with 40 percent mortgaged.

Table 1.—TRANSFER OF FREE AND ENCUMBERED FARMS

	Free	Mortgaged	Total
	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>
All farms, 1930-----	60	40	100
Farms transferred, 1932-----	27. 6	72. 4	100
Farms transferred, 1933-----	28. 2	71. 8	100

In each of the 4 years, approximately two-thirds of the mortgaged farms transferred had debt in excess of 60 percent of the value of the properties, while less than one-third had mortgage debt less than 60 percent. Voluntary transfers in each of the geographic divisions showed the same general tendency to be more frequent for mortgaged properties. Farms mortgaged for amounts between 80 and 100 percent of value averaged about 30 percent of the total and constituted a larger proportion than for any other group.

Table 2.—FREQUENCY OF VOLUNTARY TRANSFERS OF MORTGAGED FARMS, 1935

RATIO OF DEBT TO VALUE

Geographic division	0.1 to 20	20.1 to 40	40.1 to 60	60.1 to 80	80.1 to 100	Over 100	Total
	<i>Per- cent</i>	<i>Per- cent</i>	<i>Per- cent</i>	<i>Per- cent</i>	<i>Per- cent</i>	<i>Per- cent</i>	<i>Per- cent</i>
New England.....	2.9	16.3	30.8	19.2	23.1	7.7	100.0
Middle Atlantic.....	4.7	15.3	17.0	25.4	30.5	7.1	100.0
East North Central.....	2.8	11.1	21.9	24.9	27.7	11.6	100.0
West North Central.....	2.7	9.1	16.6	24.0	34.3	13.3	100.0
South Atlantic.....	2.9	10.3	15.2	18.1	32.9	20.6	100.0
East South Central.....	4.2	10.1	18.5	26.1	36.5	4.6	100.0
West South Central.....	2.0	11.8	17.9	27.2	32.8	8.3	100.0
Mountain.....	4.7	11.4	20.1	20.9	30.8	12.1	100.0
Pacific.....	3.9	9.6	27.9	21.6	30.7	6.3	100.0
United States:							
1935.....	3.2	10.9	19.3	24.0	31.5	11.1	100.0
1934.....	3.4	9.6	18.5	23.0	31.1	14.4	100.0
1933.....	3.2	10.4	17.9	22.2	32.5	13.8	100.0
1932.....	2.8	11.8	22.6	24.8	27.4	10.6	100.0

Comparison of the frequency of transfers with a distribution of mortgaged farms on the basis of ratio of debt to value further shows the influence of indebtedness on the change of property ownership. In 1933, only 29 percent of all mortgaged farms had debt in excess of 60 percent of their value. This contrasts with voluntary transfers of mortgaged farms in the same year in which farms mortgaged for more than 60 percent of their value comprise 68 percent of the total.

Table 3.—DISTRIBUTION OF ALL MORTGAGED FARMS IN THE UNITED STATES, BY RATIO OF DEBT TO VALUE, JANUARY 1, 1932, 1933

Year	0.1 to 20	20.1 to 40	40.1 to 60	60.1 to 80	80.1 to 100	Over 100	Total
	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>
1932.....	17.7	31.0	24.1	14.1	8.1	5.0	100.0
1933.....	18.2	28.7	24.2	13.6	7.0	8.3	100.0

Table 4.—DISTRIBUTION OF ALL MORTGAGED FARMS AND VOLUNTARY TRANSFERS OF MORTGAGED FARMS, BY RATIO OF DEBT TO VALUE, CUMULATIVE PERCENTAGES

	RATIO OF DEBT TO VALUE					
	0.1 to 20	20.1 to 40	40.1 to 60	60.1 to 80	80.1 to 100	Total, 100 and over
All mortgaged farms:	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>
1932-----	17. 7	48. 7	72. 8	86. 9	95. 0	100. 0
1933-----	18. 2	46. 9	71. 1	84. 7	91. 7	100. 0
Frequency of transfer:						
1932-----	2. 8	14. 6	37. 2	62. 0	89. 4	100. 0
1933-----	3. 2	13. 6	31. 5	53. 7	86. 2	100. 0

The greater frequency of transfer among indebted properties is partly due to the smaller equity involved and the consequent greater ease of providing the consideration necessary to acquire title. The necessity of providing recurrent payments on interest and principal makes financial demands on the owner of mortgaged property which do not confront the owner of the farm that is free. Mortgaged farms, especially those heavily in debt, are likely to have incurred debt incident to a comparatively recent transfer. They are therefore less firmly held than farms long in possession of the same family. Mortgaged farms average higher in value and larger in acreage than others and therefore represent larger problems in management as well as in financial responsibility. All these factors contribute to the markedly greater turnover of encumbered farms.

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#### AGRICULTURAL LOANS

Outstanding agricultural loans by the Federal land banks were reported as \$2,072,000,000 at the close of December 1935 and \$2,066,000,000 at the end of January 1936. This is the first decline in the total holdings of this source since the formation of the Farm Credit Administration May 1933. Commissioner loans continued to increase, being \$795,000,000 on December 31 and \$803,000,000 at the close of January, as compared with \$777,000,000 at the close of October.

Farm mortgage holdings for joint stock land banks declined further to \$176,000,000 in December and \$170,000,000 at the close of January 1936 as compared with \$184,000,000 at the end of October 1935. The decline in Federal land banks loans is explained by repayments in excess of new advances. Non-real-estate loans outstanding at the end of January showed reductions for all sources except production credit associations, which increased their holdings from \$94,000,000 in December to \$96,000,000 in January. Regional

agricultural credit corporations reduced their total credits to \$43,000,000 in December and \$41,000,000 in January as compared with \$52,000,000 for October 1935. These agencies are slowly liquidating their loans. These emergency crop loans outstanding declined to \$107,000,000 in December and \$105,000,000 in January as compared with \$114,000,000 in October and the peak of \$127,000,000 in July, liquidation of these credits having been about one-sixth of the total. Emergency drought loan offices reported \$65,000,000 outstanding in January as compared with \$71,000,000 in the peak months of June and July. Loans by the banks for cooperatives reached a seasonal peak of \$50,000,000 in December and stood at \$47,000,000 at the end of January as compared with \$28,000,000 for January 1935. Loans from the Agricultural Marketing Act revolving fund remained at \$44,000,000 for December and January as compared with \$46,000,000 in October. The comparative inactivity in short-term credits indicated in the above data is characteristic of this type of credit during the winter season.

New agricultural loans from the Federal land banks declined from \$14,000,000 in December to \$13,000,000 in January. Commissioner loans declined from approximately \$11,000,000 in December to \$10,000,000 in January. Lending activities on farm real estate are usually at seasonal lows during winter months when inspection is difficult and during the height of the work season when farmers are busy. Production credit associations extended \$16,000,000 in loans in January as compared with \$20,000,000 in December. Regional agricultural credit associations increased their loans to \$6,500,000 in January from \$5,800,000 in December. Loans by the intermediate credit banks declined from \$38,000,000 in December to \$27,000,000 in January. New loans by the banks for cooperatives declined sharply to \$2,700,000 in January as compared with \$5,300,000 in December. Attention is called to the change in the data reported for production credit associations. The data appearing under this caption in the present issue represent loans reported by these associations, whereas data in previous issues referred to loans to and discounts for production credit associations by the Federal intermediate credit banks. The new classification excludes loans for working-capital purposes of the associations. The new classification also carries a more accurate timing of the credit reported, since discounts with the intermediate credit banks are not always made in the same month in which the production credit association makes the original loan.



AGRICULTURAL LOANS OUTSTANDING: BY LENDING AGENCY <sup>1</sup>

[Millions of dollars]

End of year or month	Farm mortgage loans to farmers by—					Federal intermedi- ate credit bank loans to—	
	39 life-in- surance companies	Member banks	Federal land banks <sup>2</sup>	Land bank commis- sioner	Joint- stock land banks <sup>3</sup>	Regional and pro- duction credit <sup>4</sup>	All other institu- tions <sup>5</sup>
1929-----	1, 579	388	1, 199	-----	627	-----	-----
1930-----	1, 543	387	1, 190	-----	591	-----	-----
1931-----	1, 503	359	1, 168	-----	537	-----	-----
1932-----	1, 402	356	1, 129	-----	459	-----	-----
1933-----	1, 234	<sup>6</sup> 318	1, 233	70. 7	392	73	76
1934-----	950	<sup>6</sup> 262	1, 916	616. 8	261	100	90
1935:							
January-----	932	-----	1, 943	643. 3	251	100	88
March-----	898	<sup>6</sup> 263	1, 975	686. 6	230	115	86
June-----	855	<sup>6</sup> 259	2, 017	733. 5	208	131	68
September-----	821	-----	2, 047	765. 4	190	115	60
December-----	-----	-----	2, 072	794. 7	176	105	49
1936:							
January-----	-----	-----	2, 066	802. 8	170	105	49

End of year or month	Production credit asso- ciations <sup>7</sup>	Regional agricultural credit cor- porations	Emergency crop loans	Emergency drought loan offices	Loans to cooperatives	
					Banks for coopera- tives, in cluding cen- tral banks	Agricul- tural Mar- keting Act revolving fund
1929-----	-----	-----	7	-----	-----	15
1930-----	-----	-----	8	-----	-----	137
1931-----	-----	-----	60	-----	-----	156
1932-----	-----	24	89	-----	-----	159
1933-----	0. 03	145	90	-----	19	158
1934-----	60. 9	87	78	32	28	55
1935:						
January-----	62. 6	85	77	40	28	54
March-----	81. 7	80	75	60	28	50
June-----	106. 7	73	126	71	24	49
September-----	101. 4	59	122	70	43	47
December-----	94. 1	43	107	66	50	44
1936:						
January-----	96. 2	41	105	65	47	44

<sup>1</sup> Data for life insurance companies from Association of Life Insurance Presidents; data for member banks from Federal Reserve Board; other data from Farm Credit Administration.

<sup>2</sup> Unpaid principal; data previously shown were unmatured principal.

<sup>3</sup> Includes loans outstanding of joint-stock land banks in receivership.

<sup>4</sup> Regional agricultural credit corporations and production credit associations. Some of the loans made by the regional agricultural credit corporations and all of the loans made by the production credit associations are rediscounted with the Federal intermediate credit banks. The amounts in this column are thus included in the columns headed "Production credit associations" and "Regional agricultural credit corporations."

<sup>5</sup> Includes agricultural credit associations, livestock loan companies, and commercial banks.

<sup>6</sup> Licensed banks only.

<sup>7</sup> These data refer to outstanding loans reported by production credit associations. Previous data referred to loans to and discounts for production credit associations by the Federal intermediate credit banks.

NEW AGRICULTURAL LOANS, DISCOUNTS, AND INVESTMENTS <sup>1</sup>

[Thousands of dollars]

Year and month	Federal land banks	Land bank commissioner loans to farmers	Federal intermediate credit bank loans to—		Regional agricultural credit corporations	Production credit associations <sup>4</sup>	Emergency crop loans	Agricultural Marketing Act revolving fund	Banks for co-operatives, including central banks
			Regional and production credit <sup>2</sup>	All other institutions <sup>3</sup>					
1933-----	151, 634	70, 812	109, 746	168, 927	223, 116	27	57, 376	40, 687	27, 144
1934									
Jan-----	77, 843	49, 795	12, 886	14, 155	21, 679	153	-----	253	786
Feb-----	86, 179	54, 120	11, 570	7, 276	18, 745	593	-----	259	1, 140
Mar-----	89, 346	63, 838	22, 141	10, 052	17, 324	4, 335	611	271	1, 323
Apr-----	25, 362	21, 271	25, 952	12, 054	13, 120	11, 640	18, 118	67	1, 594
May-----	68, 078	53, 203	28, 072	13, 129	11, 213	13, 661	8, 765	360	2, 584
June-----	86, 154	67, 770	19, 532	14, 862	8, 098	10, 984	1, 072	1, 289	1, 880
July-----	65, 056	51, 956	18, 852	12, 338	6, 752	8, 036	2, 272	2, 302	13, 682
Aug-----	60, 261	48, 619	17, 390	11, 257	7, 685	15, 927	2, 458	247	4, 049
Sept-----	48, 343	39, 208	16, 839	11, 542	5, 676	10, 969	2, 323	516	1, 517
Oct-----	43, 396	36, 371	14, 614	30, 144	7, 864	10, 306	1, 015	3, 606	3, 719
Nov-----	44, 044	36, 348	16, 012	23, 014	8, 219	9, 804	101	271	3, 103
Dec-----	36, 305	30, 637	19, 686	22, 493	14, 214	10, 808	1, 157	115	4, 694
1935									
Jan-----	34, 471	27, 924	24, 585	16, 966	15, 209	11, 521	-----	117	2, 755
Feb-----	27, 945	22, 842	23, 527	14, 982	12, 411	13, 172	-----	66	3, 574
Mar-----	27, 039	23, 354	27, 927	15, 189	10, 136	21, 987	-----	376	2, 556
Apr-----	7, 499	11, 479	21, 429	11, 771	10, 871	19, 786	20, 048	502	4, 431
May-----	30, 176	20, 768	19, 868	20, 203	7, 817	16, 639	29, 226	1	4, 044
June-----	25, 240	18, 854	17, 666	12, 347	5, 934	14, 939	2, 950	5, 033	2, 661
July-----	14, 050	10, 869	15, 330	12, 298	4, 667	13, 589	1, 436	452	3, 095
Aug-----	18, 832	13, 086	12, 899	9, 861	4, 074	11, 733	1, 993	5	8, 411
Sept-----	17, 150	12, 348	18, 895	8, 936	3, 397	14, 565	1, 626	320	14, 008
Oct-----	18, 380	13, 764	21, 510	11, 542	4, 477	18, 865	734	413	8, 580
Nov-----	14, 038	10, 317	22, 414	14, 225	5, 807	19, 462	155	112	6, 920
Dec-----	13, 852	10, 793	25, 195	13, 099	5, 856	20, 049	268	5	5, 313
1936									
Jan-----	12, 959	10, 035	17, 935	8, 903	6, 551	16, 162	<sup>5</sup> 5	50	2, 739

<sup>1</sup> Data from Farm Credit Administration.<sup>2</sup> Regional agricultural credit corporations and production credit associations. Some of the loans made by the regional agricultural credit corporations and all of the loans made by the production credit associations are rediscounted with the Federal intermediate credit banks. The amounts in this column are thus included in the columns headed "Production Credit Associations" and "Regional Agricultural Credit Corporations."<sup>3</sup> Includes agricultural credit associations, livestock loan companies, and commercial banks.<sup>4</sup> These data refer to loans reported by Production Credit Associations. Previous data referred to loans to and discounts for Production Credit Associations by the Federal Intermediate Credit Banks.<sup>5</sup> Due to adjustments.

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## PRICES OF FARM PRODUCTS

Estimates of average prices received by producers at local farm markets based on reports to the division of crop and livestock estimates of this Bureau. Average of reports covering the United States weighted according to relative importance of district and States.

Product	5-year average, August 1909- July 1914	February average, 1910- 14	February 1935	January 1935	February 1936	Parity price, February 1936
Cotton, per pound.....cents--	12. 4	12. 3	12. 2	11. 1	11. 0	15. 6
Corn, per bushel.....do-----	64. 2	60. 1	84. 5	53. 5	55. 5	8. 90
Wheat, per bushel.....do-----	88. 4	89. 2	87. 9	93. 0	91. 9	111. 4
Hay, per ton.....dollars-----	11. 87	12. 02	14. 02	7. 32	7. 57	14. 96
Potatoes, per bushel.....cents--	69. 7	66. 3	45. 2	65. 9	68. 9	86. 5
Oats, per bushel.....do-----	39. 9	39. 8	54. 7	25. 9	26. 6	50. 3
Beef cattle, per 100 pounds.dollars--	5. 21	5. 11	5. 95	6. 22	6. 19	6. 56
Hogs, per 100 pounds.....do-----	7. 22	7. 12	7. 10	8. 91	9. 34	9. 10
Chickens, per pound.....cents--	11. 4	11. 1	13. 4	16. 5	16. 9	14. 4
Eggs, per dozen.....do-----	21. 5	23. 7	25. 6	22. 8	23. 8	27. 6
Butter, per pound.....do-----	25. 5	26. 6	30. 7	29. 7	30. 2	32. 6
Butterfat, per pound.....do-----	26. 3	27. 4	35. 9	33. 5	34. 9	33. 8
Wool, per pound.....do-----	17. 6	18. 5	18. 2	24. 1	25. 6	22. 2
Veal calves, per 100 pounds.dollars--	6. 75	6. 77	6. 47	8. 15	8. 58	8. 50
Lambs, per 100 pounds.....do-----	5. 87	5. 95	6. 65	8. 25	8. 31	7. 40
Horses, each.....do-----	136. 60	137. 00	84. 00	92. 70	94. 80	172. 10

<sup>1</sup> Adjusted for seasonality.

## COLD-STORAGE SITUATION

[Feb. 1 holdings, shows nearest millions; i. e., 000,000 omitted]

Commodity	5-year average, 1930-34	Year ago	Month ago	February 1936
Apples.....total barrels..	<sup>1</sup> 6, 870	<sup>1</sup> 6, 928	<sup>1</sup> 9, 686	<sup>1</sup> 8, 128
Frozen and preserved fruits.....pounds--	69	58	81	75
40-percent cream.....40-quart cans--	<sup>1</sup> 107	<sup>1</sup> 37	<sup>1</sup> 96	<sup>1</sup> 60
Creamery butter.....pounds--	36	19	40	22
American cheese.....do-----	61	71	87	78
Frozen eggs.....do-----	59	53	70	60
Shell eggs.....cases--	<sup>1</sup> 312	<sup>1</sup> 39	<sup>1</sup> 964	<sup>1</sup> 159
Total poultry.....pounds--	112	122	107	104
Total beef.....do-----	73	127	106	104
Total pork.....do-----	675	668	327	436
Lard.....do-----	95	112	53	76
Lamb and mutton, frozen.....do-----	3	4	3	3
Total meats.....do-----	829	909	510	622

<sup>1</sup> 3 ciphers omitted.

## GENERAL TREND OF PRICES AND WAGES

[1910-14=100]

Year and month	Wholesale prices of all commodities <sup>1</sup>	Industrial wages <sup>2</sup>	Prices paid by farmers for commodities used in <sup>3</sup> —			Farm wages	Taxes <sup>4</sup>
			Living	Production	Living production		
1910-----	103	-----	98	98	98	97	-----
1911-----	95	-----	100	103	101	97	-----
1912-----	101	-----	101	98	100	101	-----
1913-----	102	-----	100	102	101	104	100
1914-----	99	-----	102	99	100	101	101
1915-----	102	101	107	104	105	102	110
1916-----	125	114	124	124	124	112	116
1917-----	172	129	147	151	149	140	129
1918-----	192	160	177	174	176	176	137
1919-----	202	185	210	192	202	206	172
1920-----	225	222	222	174	201	239	209
1921-----	142	203	161	141	152	150	223
1922-----	141	197	156	139	149	146	224
1923-----	147	214	160	141	152	166	228
1924-----	143	218	159	143	152	166	228
1925-----	151	223	164	147	157	168	232
1926-----	146	229	162	146	155	171	232
1927-----	139	231	159	145	153	170	238
1928-----	141	232	160	148	155	169	239
1929-----	139	236	158	147	153	170	241
1930-----	126	226	148	140	145	152	238
1931-----	107	207	126	122	124	116	218
1932-----	95	178	108	107	107	86	189
1933-----	96	171	109	108	109	80	162
1934-----	109	182	122	125	123	90	154
1935-----	117	191	124	126	125	98	-----
1935							
January-----	115	188	-----	-----	126	86	-----
February-----	116	189	-----	-----	127	-----	-----
March-----	116	193	124	131	127	-----	-----
April-----	117	191	-----	-----	127	94	-----
May-----	117	189	-----	-----	127	-----	-----
June-----	116	189	124	130	127	-----	-----
July-----	116	188	-----	-----	126	99	-----
August-----	118	192	-----	-----	125	-----	-----
September-----	118	195	124	122	123	-----	-----
October-----	118	194	-----	-----	123	102	-----
November-----	118	190	-----	-----	122	-----	-----
December-----	118	196	124	119	122	-----	-----
1936							
January-----	118	195	-----	-----	<sup>5</sup> 122	94	-----

<sup>1</sup> Bureau of Labor Statistics Index with 1926=100, divided by its 1910-14 average of 68.5.<sup>2</sup> Average weekly earnings, New York State factories. June 1914=100.<sup>3</sup> These indexes are based on retail prices paid by farmers for commodities used in living and production reported quarterly for March, June, September, and December. The indexes for other months are straight interpolations between the successive quarterly indexes.<sup>4</sup> Index of farm real-estate taxes, per acre, 1913=100.<sup>5</sup> Preliminary.



## GENERAL TREND OF PRICES RECEIVED AND PAID

Year and month	Index numbers of farm prices [August 1909-July 1914=100]								Prices paid by farmers for com- modities <sup>1</sup>	Ratio of prices received to prices paid
	Grains	Cotton and cot- tonseed	Fruits	Truck crops	Meat ani- mals	Dairy prod- ucts	Chick- ens and eggs	All groups		
1910-----	104	113	101	-----	103	99	104	102	98	104
1911-----	96	101	102	-----	87	95	91	95	101	94
1912-----	106	87	94	-----	95	102	100	100	100	100
1913-----	92	97	107	-----	108	105	101	101	101	100
1914-----	102	85	91	-----	112	102	106	101	100	101
1915-----	120	77	82	-----	104	103	101	98	105	93
1916-----	126	119	100	-----	120	109	116	118	124	95
1917-----	217	187	118	-----	174	135	155	175	149	117
1918-----	227	245	172	-----	203	163	186	202	176	115
1919-----	233	247	178	-----	207	186	209	213	202	105
1920-----	232	248	191	-----	174	198	223	211	201	105
1921-----	112	101	157	-----	109	156	162	125	152	82
1922-----	106	156	174	-----	114	143	141	132	149	89
1923-----	113	216	137	-----	107	159	146	142	152	93
1924-----	129	212	125	150	110	149	149	143	152	94
1925-----	157	177	172	153	140	153	163	156	157	99
1926-----	131	122	138	143	147	152	159	145	155	94
1927-----	128	128	144	121	140	155	144	139	153	91
1928-----	130	152	176	159	151	158	153	149	155	96
1929-----	120	144	141	149	156	157	162	146	153	95
1930-----	100	102	162	140	133	137	129	126	145	87
1931-----	63	63	98	117	92	108	100	87	124	70
1932-----	44	47	82	102	63	83	82	65	107	61
1933-----	62	64	74	105	60	82	75	70	109	64
1934-----	93	99	100	104	68	95	89	90	123	73
1935-----	103	101	91	127	118	108	117	108	125	86
1935										
January-----	115	108	87	117	96	112	114	107	126	85
February-----	114	108	90	188	105	121	119	111	127	87
March-----	111	102	90	162	117	114	97	108	127	85
April-----	115	103	105	156	117	117	105	111	127	87
May-----	112	105	98	127	118	107	110	108	127	85
June-----	102	103	100	96	119	99	108	104	127	82
July-----	96	102	98	93	116	96	107	102	126	81
August-----	96	97	87	92	129	98	111	106	125	85
September-----	97	90	82	101	131	102	126	107	123	87
October-----	101	94	82	120	125	104	132	109	123	89
November-----	90	99	83	136	117	111	140	108	122	89
December-----	89	98	92	136	120	118	135	110	122	90
1936										
January-----	92	95	89	118	122	120	117	109	<sup>2</sup> 122	<sup>2</sup> 89
February-----	92	94	92	117	125	123	121	109	<sup>2</sup> 122	<sup>2</sup> 89

<sup>1</sup> 1910-14=100.<sup>2</sup> Preliminary.

## THE TREND OF EXPORT MOVEMENT

Year and month (ended Dec. 31)	Wheat, <sup>1</sup> including flour	Tobacco (leaf)	Bacon, <sup>2</sup> hams, and shoulders	Lard <sup>3</sup>	Apples (fresh)	Cotton, <sup>4</sup> running bales
	1,000 bushels	1,000 pounds	1,000 pounds	1,000 pounds	1,000 bushels	1,000 bales
Total:						
1920-----	311, 601	467, 662	821, 922	612, 250	5, 393	6, 111
1921-----	359, 021	515, 353	647, 680	868, 942	5, 809	6, 385
1922-----	235, 307	430, 908	631, 452	766, 950	4, 945	6, 015
1923-----	175, 190	474, 500	828, 890	1, 035, 382	8, 876	5, 224
1924-----	241, 454	546, 555	637, 980	944, 095	10, 261	6, 653
1925-----	138, 784	468, 471	467, 459	688, 829	10, 043	8, 362
1926-----	193, 971	478, 773	351, 591	698, 961	16, 170	8, 916
1927-----	228, 576	506, 252	237, 720	681, 303	15, 534	9, 199
1928-----	151, 976	575, 408	248, 278	759, 722	13, 635	8, 546
1929-----	154, 348	555, 347	275, 118	829, 328	16, 856	7, 418
1930-----	149, 154	560, 958	216, 953	642, 486	15, 850	6, 474
1931-----	125, 686	503, 531	123, 246	568, 708	17, 785	6, 849
1932-----	82, 118	387, 766	84, 175	546, 202	16, 919	8, 916
1933-----	26, 611	420, 418	100, 169	579, 132	11, 029	8, 533
1934-----	36, 538	418, 983	83, 725	431, 237	10, 070	5, 753
January:						
1925-----	13, 126	35, 448	56, 169	78, 440	930	1, 052
1926-----	5, 587	46, 891	46, 654	76, 670	1, 155	735
1927-----	12, 821	66, 403	20, 597	59, 842	1, 497	1, 074
1928-----	11, 809	42, 600	22, 212	70, 660	1, 211	712
1929-----	9, 833	44, 166	24, 669	90, 137	3, 165	787
1930-----	14, 073	46, 155	23, 738	73, 292	1, 308	729
1931-----	5, 731	46, 579	12, 761	68, 882	2, 387	533
1932-----	8, 134	24, 344	5, 769	59, 855	2, 708	920
1933-----	3, 313	26, 915	6, 666	78, 108	1, 766	794
1934-----	4, 570	25, 753	4, 965	51, 202	2, 556	739
1935:						
January---	1, 257	28, 943	5, 108	17, 667	1, 281	466
February--	1, 301	23, 616	4, 158	15, 890	1, 490	390
March----	1, 500	31, 062	5, 428	10, 636	945	318
April-----	1, 281	16, 761	5, 332	7, 193	397	323
May-----	1, 426	16, 661	7, 443	9, 740	44	278
June-----	1, 195	11, 867	6, 662	6, 877	17	345
July-----	1, 232	14, 581	6, 580	4, 915	99	280
August----	1, 278	22, 382	5, 210	3, 406	544	241
September--	1, 324	52, 371	3, 531	1, 515	1, 349	487
October---	1, 485	60, 068	3, 355	2, 731	2, 190	712
November---	1, 320	64, 117	4, 961	7, 932	1, 854	1, 135
December--	1, 132	38, 753	3, 923	7, 853	1, 496	886
Total---	15, 731	381, 182	61, 691	96, 355	11, 706	5, 861

<sup>1</sup> Wheat flour is converted on a basis of 4.7 bushels of grain equal to 1 barrel of flour.<sup>2</sup> Includes Cumberland and Wiltshire sides.<sup>3</sup> Excludes neutral lard.<sup>4</sup> Excludes linters.

Foreign Agricultural Service Division. Compiled from Foreign Commerce and Navigation of the United States and official records of Bureau of Foreign and Domestic Commerce.

THE TREND OF AGRICULTURAL IMPORTS <sup>1</sup>

Year and month (ended Dec. 31)	Cattle, live	Beef, canned 2 3	Wheat, grain 2 4	Corn, grain	Oats, grain	Barley, malt <sup>2</sup>	Egg <sup>5</sup> prod- ucts
	1,000 head	1,000 pounds	1,000 bushels	1,000 bushels	1,000 bushels	1,000 pounds	1,000 pounds
1922-----	238	894	10,560	113	1,299	60 <sup>2</sup>	27,768
1923-----	140	4,496	8,930	203	317	397 <sup>2</sup>	12,565
1924-----	145	7,026	6,895	4,107	6,964	765	19,723
1925-----	175	7,969	1,308	1,086	178	836	33,987
1926-----	221	21,045	451	1,055	157	1,028	25,737
1927-----	445	35,999	21	5,458	85	810	15,341
1928-----	563	52,748	224	565	489	865	23,474
1929-----	505	79,899	36	407	112	1,025	26,030
1930-----	234	56,105	317	1,556	183	4,309	16,156
1931-----	95	19,586	54	618	576	39,875	7,661
1932-----	106	24,639	3	344	59	52,533	3,085
1933-----	82	41,344	31	160	132	109,183	3,664
1934: <sup>2</sup>							
January---	8	1,568	9	18	6	11,520	255
February--	7	1,344	37	15	2	9,788	223
March-----	9	2,995	24	17	( <sup>6</sup> )	14,724	221
April-----	16	3,782	51	11	4	17,943	151
May-----	6	3,470	1	14	1	18,265	216
June-----	5	2,519	1	77	7	22,499	239
July-----	4	4,279	2	24	152	25,407	297
August-----	1	6,195	432	195	27	20,056	342
September--	3	4,227	2,779	445	210	14,283	286
October---	1	4,586	1,087	501	1,087	11,441	304
November---	2	4,440	1,407	470	1,672	12,876	356
December---	4	7,269	1,907	1,172	2,412	14,926	288
Total---	66	46,674	7,737	2,959	5,580	193,728	3,178
1935: <sup>2</sup>							
January---	6	4,142	843	1,877	1,644	17,449	363
February--	38	4,225	1,055	1,826	2,118	15,459	398
March-----	53	7,690	1,458	3,304	2,596	27,197	420
April-----	51	9,496	1,611	1,445	2,167	30,701	370
May-----	49	7,076	847	3,306	1,124	37,794	1,022
June-----	34	5,911	625	6,122	406	43,728	1,199
July-----	18	5,220	793	5,649	29	42,041	790
August-----	16	5,740	2,570	8,554	1	27,136	646
September--	14	7,752	3,644	2,986	7	27,566	602
October---	32	5,379	5,324	4,690	5	16,933	668
November---	40	6,811	4,348	1,651	2	18,916	613
December---	27	6,867	4,321	2,092	8	15,703	540
Total---	378	76,309	27,439	43,242	10,107	320,623	7,631

<sup>1</sup> General imports prior to 1934; beginning Jan. 1, 1934, imports for consumption.<sup>2</sup> Imports for consumption.<sup>3</sup> Includes corned beef.<sup>4</sup> For domestic consumption and includes only wheat full duty paid and 10 percent ad valorem.<sup>5</sup> Excludes eggs in the shell.<sup>6</sup> Less than 500.

Foreign Agricultural Service Division. Compiled from Foreign Commerce and Navigation of the United States and official records of Bureau of Foreign and Domestic Commerce.

## GENERAL BUSINESS INDICATORS RELATED TO AGRICULTURE

Production, consumption, and movements	January 1935	December 1935	January 1936	Month's trend
<i>Production</i>				
Pig iron, daily (thousand tons)-----	48	68	65	Decrease.
Bituminous coal (million tons)-----	37	35	39	Increase.
Steel ingots (thousand long tons)-----	2, 872	3, 082	3, 049	Decrease.
<i>Consumption</i>				
Cotton, by mills (thousand bales)-----	551	498	591	Increase.
Unfilled orders, Steel Corporation shipments of finished steel products (thousand tons).	534	662	721	Do.
Building contracts in 37 Northeastern States (million dollars).	100	264	205	Decrease.
Hogs slaughtered (thousands)-----	3, 048	2, 875	3, 428	Increase.
Cattle and calves slaughtered (thousands).	1, 291	1, 373	1, 371	Decrease.
Sheep and lambs slaughtered (thousands).	1, 345	1, 369	1, 540	Increase.
<i>Movements</i>				
Bank debits (outside New York City) (billion dollars).	15	19	17	Decrease.
Carloadings (thousands)-----	2, 169	2, 319	2, 353	Increase.
Mail-order sales (million dollars)-----	41	91	46	Decrease.
Employees, New York State factories (thousands).	349	378	372	Do.
Average price 25 industrial stocks (dollars).	144. 21	190. 86	197. 67	Increase.
Interest rate (4-6 months' paper, New York) (percent).	. 88	. 75	. 75	Unchanged.
Retail food price index (Department of Labor). <sup>1</sup>	126	134	133	Decrease.
Wholesale price index (Department of Labor). <sup>1</sup>	115	118	118	Unchanged.

<sup>1</sup> 1910-14 basis.

Data in the above table, excepting livestock slaughter and price indexes, are from the Survey of Current Business, Bureau of Foreign and Domestic Commerce, U. S. Department of Commerce.



## THE DAIRY MARKET SITUATION

The butter market in February continued somewhat to parallel that of a year ago, particularly with respect to price changes. Wholesale prices at New York climbed to 39¼ cents on 92-score butter on February 19, which was 1¼ cents above last year's high and the highest price reached at any time since the early part of November 1930. And again, as was the case in February 1935, current values dropped sharply as the month drew to a close, with the above grade at New York quoted (Feb. 25) at 35¼ cents, and the market reported as nervous and unsettled.

A number of conditions may be referred to as of importance in connection with the month's developments, the unusually severe winter weather which prevailed with its inevitable effect upon production, the relatively short supplies available for trading, the continuance of a rather sluggish movement of butter into retail trade channels, and the import situation. These several conditions have exerted the greatest influence upon butter markets proper, but there is an effect upon dairy markets generally, although not so readily apparent. One other development, which is not a feature of February, but rather of the calendar year to date, is the recession of wholesale cheese prices from the relatively high level maintained during the latter part of 1935.

The most severe winter weather for many years prevailed during part of February in some of the most important butter-producing sections. Following the worst storm of the season in the Middle West, road transportation was paralyzed in places, and rail movements were seriously handicapped. Blocked highways caught many trucks en route, and temporarily prevented entirely the movement of milk and cream from farms to plants, as well as shipments of butter from plants to distributing markets. During one period, shipments of butter were made from Chicago to points in the Wisconsin, Iowa, and Michigan territories to provide for local requirements usually supplied by local production. Patrons of some condenseries and cheese factories were reported to have skimmed milk on farms because of the impossibility of making deliveries, but how much of this cream it was possible to move to creameries later, and the effect of this upon butter production, is a matter of conjecture. Some of it possibly could not be marketed at all, and had to be used on the farms. Information is not at hand to warrant any estimate of what actually happened to butter production last month, except that there are indications from trade reports of a falling off of the rate of production in relation to a year ago. All of these trade reports show weekly decreases since February 1.

The last official estimate of creamery butter production is for January, during which month there was an increase of 1.8 percent over the previous year. It is to be noted, however, that while this estimate of 107,800,000 pounds is above last year, production in January 1935 was the lightest for that month since 1929. Furthermore, the increase in January over December 1935 was only 3.2 percent, compared with a usual increase of from 10 to 11 percent.

Reports of cheese production continue to show increases which to many are surprising. The January estimate revealed an increase of 35.5 percent over last year, the increase in Wisconsin alone amounting

to about 48 percent. The Wisconsin situation can undoubtedly be attributed in part to a continuation of the influence of the more favorable price relationship already referred to, and it remains to be seen what the final effect will be of the prevailing lower prices which place cheese in a less favorable relative price position than that formerly held.

Another shift occurred in evaporated milk production in January, when the pack of this product was less than 1 percent above the previous year. In December there was an increase over a year earlier of 9.5 percent, but regardless of the fact that manufacturers held low stocks and were behind on orders, January production did little to relieve this particular situation.

Official figures of butter imports are not available for February, but trade reports indicate that imports up to the last few days of the month were probably around three-quarters of a million pounds. Of importance in connection with the import situation is the New York-London price relationship. The last weekly report (Feb. 21) showed New Zealand butter quoted in London at an average of 20.6 cents, while New York 92 score on the same date was 38 cents. Since then, however, the New York price has declined, and the margin between the two markets has narrowed accordingly.

Stocks of dairy products, in terms of milk equivalents, were slightly heavier on February 1 than on the same date last year, but it is to be noted that the 1935 stocks were relatively light. Cold storage stocks of butter on February 1 amounted to 21,538,000 pounds, compared with 18,907,000 pounds a year ago and a February 1 5-year average of 36,407,000 pounds. Evaporated milk held by manufacturers on February 1 was reported as 66,094,000 pounds, an increase over last year's stocks of 59,791,000 pounds, but a heavy decrease under the 5-year average of 124,097,000 pounds. The shortage of evaporated milk in manufacturers' hands is apparently offset to some degree by increased stocks in the hands of distributors, although the latest survey applies to the close of 1935.

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